

Minutes of the Regular Business Meeting of the
Board of Mayor and Aldermen of the City of Kingsport, Tennessee
Tuesday, November 15, 2011, 7:00 PM
Large Court Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding
Alderman Valerie Joh
Alderman Benjamin K. Mallicote
Alderman Michael McIntire

Vice Mayor Tom C. Parham
Alderman Tom Segelhorst
Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager
J. Michael Billingsley, City Attorney
James H. Demming, City Recorder

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor Dennis R. Phillips.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Ms. Olivia Calloway, Dobyns-Bennett High School Student
- II.B. **INVOCATION:** By Jack Edwards, Retired Minister – UMC.
- III. **ROLL CALL:** By City Recorder Jim Demming.
- IV. **RECOGNITIONS AND PRESENTATIONS.** None.
- V. **APPROVAL OF MINUTES.**

Motion/Second: Parham/McIntire, to approve minutes for the following meetings:

- A. October 31, 2011 Regular Work Session
- B. November 1, 2011 Regular Business Meeting

Approved: All present voting "aye."

VI. **COMMUNITY INTEREST ITEMS.**

AA. **PUBLIC HEARINGS.** None.

A. **PUBLIC COMMENT.** Mayor Phillips invited citizens in attendance to speak about any of the remaining agenda items.

Mr. Todd Cartwright of Abingdon, Virginia spoke in opposition of the proposed ordinance pertaining to synthetic drugs (Item VI.B.3). He commented on the death of a child that was reported to be related to these products. He also stated there would be a negative financial impact on the City of Kingsport if approved and asked the Board to consider the voters who are customers of these businesses.

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Mr. Joshua Stanton, 457 Andover Place, spoke in opposition of this same ordinance, asking procedural questions for the affected businesses if it is approved. He also disputed facts regarding the negative health issues associated with these substances.

Mr. Dan Francis of Dawsonville, Georgia stated he was representing the Retail Compliance Association and relayed they were not in support of passing this ordinance. Mr. Francis claimed to be an expert on this topic, but when asked by Board members for a recommendation, he agreed that banning the bath salts was necessary but would not give a direct answer about the use of the other synthetic substances. He did state that he would email a suggested list of regulations to the Board members. When asked by Alderman Mallicote, Mr. Francis could not cite specific court cases that have overturned similar ordinances anywhere in the country.

Mayor Phillips concluded this discussion, noting the arguments against the ordinance were weak and did not make sense. He further commented that the bottom line of this issue is that these are illegal substances that are high profit items. He also pointed out this was affecting our schools and that Kingsport will not allow any store to sell any illegal drug.

Mr. James Brotherton, 204 Patrick Henry Circle, spoke against all four annexations on the agenda (Items VI.C.1 through VI.C.4), noting he has spoken to people in each area who were against being annexed. He also asked the Board to consider pulling the Harris farm from the annexation plans. Mayor Phillips stated the Planning Department is working with Mr. Harris on this issue.

B. BUSINESS MATTERS REQUIRING FIRST READING.

1. Consideration of an Ordinance to Amend the FY12 General Purpose School Fund Budget and the General Projects Fund Budget (AF: 284-2011).

Motion/Second: Joh/Shupe, to pass:

AN ORDINANCE TO AMEND THE GENERAL PURPOSE SCHOOL FUND AND THE GENERAL PROJECTS FUND BUDGETS FOR THE FISCAL YEAR ENDING JUNE 30, 2012; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

2. Consideration of a Budget Ordinance to Appropriate \$20,480.18 from the Governor's Highway Safety Office for Traffic Law Enforcement Agency Services – Highway Safety Grant from the Tennessee Department of Transportation (AF: 300-2011).

Motion/Second: Shupe/McIntire, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECTS - SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE

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GOVERNOR'S HIGHWAY SAFETY GRANT FOR THE YEAR ENDING JUNE 30, 2012;
AND TO FIX THE EFFECTIVE DATE OF THIS

Passed on first reading: All present voting "aye."

**3. Consideration of an Ordinance Amending the City Code to
Include Provisions Pertaining to Certain Synthetic Drugs (AF: 310-2011).**

Motion/Second: Shupe/Parham, to pass:

AN ORDINANCE AMENDING THE CODE OF ORDINANCES, CITY OF KINGSFORT, TENNESSEE BY ADDING PROVISIONS MAKING CERTAIN FINDINGS RELATIVE TO SYNTHETIC MARIJUANA, "BATH SALTS" AND SIMILAR COMPOUNDS; MAKING THE USE, POSSESSION, PRODUCTION, MANUFACTURE, DISTRIBUTION, TRANSPORT, SELL, OFFERING FOR SALE, TRADE, BARTER, EXCHANGE OR PURCHASE OF CERTAIN SUBSTANCES UNLAWFUL; PROVIDING FOR CERTAIN EXCEPTIONS; FIXING A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; PROVIDING FOR THE SEVERABILITY OF THIS ORDINANCE; AND FIXING THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

4. Consideration of an Ordinance Appropriating Funds from the General Fund Undesignated Fund Balance to Purchase the Property at 1113 Konnarock Road (AF: 275-2011). City Manager Campbell provided details on this item, noting that the money would be reimbursed immediately after the bond sale. He also noted the tax appraisal was much higher than the purchase price. Alderman McIntire stated that although this was a good deal, he was concerned that this was not a necessary purchase, noting the increased cost of utilities and maintenance for the building, as well as the loss of tax dollars. Mr. Campbell pointed out that another building would be available to be sold and put back on the tax rolls after this purchase. Mayor Phillips asked for a list of properties for the Board to look over and see what can reasonably be put back on the tax rolls.

Motion/Second: Mallicote/Joh, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET BY APPROPRIATING FUNDS FOR THE PURCHASE OF PROPERTY LOCATED AT 1113 KONNAROCK ROAD FOR THE YEAR ENDING JUNE 30, 2012; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye," except for McIntire who voted "nay."

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.

1. Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 6 Part A Annexation (AF: 289-2011).

Motion/Second: McIntire/Joh, to pass:

ORDINANCE NO. 6147, AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF

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KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 13TH AND 14TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE COLONIAL HEIGHTS AREA 6 PART A ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, McIntire, Parham, Segelhorst, Shupe and Phillips voting "aye."

Motion/Second: Joh/McIntire, to pass:

ORDINANCE NO. 6148, AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG WOODHAVEN DRIVE AND SHADYSIDE DRIVE TO R-1B, RESIDENTIAL DISTRICT, IN THE 13TH AND 14TH CIVIL DISTRICTS OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, McIntire, Parham, Segelhorst, Shupe and Phillips voting "aye."

2. Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 6 Part B Annexation (AF: 290-2011).

Motion/Second: Parham/Shupe, to pass:

ORDINANCE NO. 6149, AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 14TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE COLONIAL HEIGHTS AREA 6 PART B ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, McIntire, Parham, Segelhorst, Shupe and Phillips voting "aye."

Motion/Second: Parham/Joh, to pass:

ORDINANCE NO. 6150, AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG SCENIC COURT, BEECHWOOD DRIVE, AND PARKWAY DRIVE TO R-1B, RESIDENTIAL DISTRICT, IN THE 14TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, McIntire, Parham, Segelhorst, Shupe and Phillips voting "aye."

3. Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 6 Part C Annexation (AF: 291-2011).

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Motion/Second: McIntire/Joh, to pass:

ORDINANCE NO. 6151, AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 14TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE COLONIAL HEIGHTS AREA 6 PART C ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, McIntire, Parham, Segelhorst, Shupe and Phillips voting "aye."

Motion/Second: Parham/Joh, to pass:

ORDINANCE NO. 6152, AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG KENDRICK CREEK ROAD, TIFFANY COURT, QUAIL HEIGHTS COURT, MOURNING DOVE DRIVE, TEAL COURT, PARTRIDGE PLACE, AND PHEASANT COURT TO R-1B, RESIDENTIAL DISTRICT, AND R-3, LOW DENSITY APARTMENT DISTRICT IN THE 14TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, McIntire, Parham, Segelhorst, Shupe and Phillips voting "aye."

4. Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 6 Part D Annexation (AF: 292-2011).

Motion/Second: McIntire/Joh, to pass:

ORDINANCE NO. 6153, AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 14TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE COLONIAL HEIGHTS AREA 6 PART D ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, McIntire, Parham, Segelhorst, Shupe and Phillips voting "aye."

Motion/Second: Joh/Parham, to pass:

ORDINANCE NO. 6154, AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG MEADOW LANE, QUAIL HILL CIRCLE, ARLINGTON CIRCLE, ARLINGTON PLACE, ARLINGTON DRIVE, ARLINGTON COURT, WRENWOOD COURT, COUNTRYSHIRE COURT, MEADOW CREST DRIVE, MEADOW GLADE CIRCLE, MEADOW GLEN CIRCLE, AND MEADOW DALE CIRCLE TO R-1B, RESIDENTIAL DISTRICT, IN THE 14TH CIVIL

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DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, McIntire, Parham, Segelhorst, Shupe and Phillips voting "aye."

D. OTHER BUSINESS.

1. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Apply for and Receive the Solid Waste Recycling Rebate Grant from the Tennessee Department of Environment and Conservation (TDEC) Solid Waste Management Division (AF: 303-2011).

Motion/Second: Shupe/Joh, to pass:

Resolution No. 2012-091, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A SOLID WASTE RECYCLING REBATE GRANT FROM THE TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION SOLID WASTE MANAGEMENT DIVISION

Passed: All present voting "aye."

2. Consideration of a Resolution Authorizing the Issuance of a Purchase Order to CDW-Government for the Purchase of Network Switches for the New Kingsport City Schools Central Office (AF: 304-2011).

Motion/Second: Parham/Joh, to pass:

Resolution No. 2012-092, A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR NETWORK SWITCHES TO CDW-GOVERNMENT FOR THE KINGSPORT SCHOOLS NEW CENTRAL OFFICE

Passed: All present voting "aye."

3. Consideration of a Resolution to Approve the Adoption of a New Debt Management Policy for the City of Kingsport (AF: 307-2011). City Recorder Demming provided information on this item, noting the recent legal requirement for local government to adopt a debt management policy with specific language in regards to transparency of information presented and the relationship with financial professionals. In response to a question from the Mayor, Mr. Demming noted the major difference from the previously adopted policy allows for more flexibility and it is more comprehensive. Alderman Mallicote suggested in the future that when looking at the level of debt, the percentage of the total budget should be considered, in addition to the traditional measures relating to 20% of assessed value and 10% cap.

Motion/Second: Joh/Segelhorst, to pass:

Resolution No. 2012-093, A RESOLUTION TO ADOPT A DEBT MANAGEMENT POLICY FOR THE CITY OF KINGSPORT

Passed: All present voting "aye."

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4. Consideration of a Resolution Approving an Amendment to the Management Agreement for MeadowView and Authorizing the Mayor to Execute the Same (AF: 311-2011). City Attorney Billingsley gave details on this item, stating this was an extension of the current agreement because the new agreement has not been completed, noting the new agreement is much longer and more complex.

Motion/Second: Mallicote/Parham, to pass:

Resolution No. 2012-094, A RESOLUTION APPROVING AN AMENDMENT TO THE MANAGEMENT AGREEMENT WITH MARRIOTT HOTEL SERVICES, INC. AND AUTHORIZING THE MAYOR TO EXECUTE THE SAME AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

Passed: All present voting "aye."

5. Consideration of Detailed Bond Resolution Authorizing the Issuance of General Obligation Public Improvement Bonds in an Amount Not to Exceed \$16,250,000 (AF: 312-2011). City Manager Campbell stated the comments made at the work session are being taken into consideration. Mayor Phillips commented that approval gives the ability to allow discussion with the City Manager for the next few days. Alderman McIntire pointed out the amount should be closer to \$14 million after the discussion last night. The Mayor stated that every Board member would know the final number before it is signed.

Motion/Second: Parham/Joh, to pass:

Resolution No. 2012-095, RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$16,250,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, IN ONE OR MORE SERIES, OF THE CITY OF KINGSFORT, TENNESSEE, AND PROVIDING THE DETAILS THEREOF.

Passed: All present voting "aye."

E. APPOINTMENTS/REAPPOINTMENTS. None.

VII. CONSENT AGENDA.

Consent Agenda items are considered under one motion.

Motion/Second: McIntire/Parham, to adopt:

1. Consideration of an Ordinance Appropriating Funds Received from KCVB as a Reimbursement for Improvements to the Batting Cages at Domtar Park (AF: 295-2011).

Adopt:

Ordinance No. 6155, AN ORDINANCE TO AMEND THE GENERAL FUND BY APPROPRIATING FUNDS RECEIVED FROM DONATIONS FOR THE YEAR

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ENDING JUNE 30, 2012; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE
Passed on second reading in a roll call vote: Joh, Mallicote, McIntire, Parham,
Segelhorst, Shupe and Phillips voting "aye."

**~~2. Consideration of an Ordinance Establishing the Border Region
Retail Tourism District (AF: 293-2011).~~** This item was pulled from the agenda and
deferred to the next BMA meeting.

VIII. COMMUNICATIONS.

- A. CITY MANAGER.** Mr. Campbell commented on the recent meeting of the
Tennessee City Managers at Meadowview Conference and Convention
Center, noting that group had not met at that facility since 1999 and seemed
impressed with the progress there.

Mr. Campbell then asked Public Works Director Ryan McReynolds to share
the recent awards received by his employees – Bob Fickle, Ronnie
Hammonds and Greg Willis. Mr. McReynolds also discussed the amended
garbage collection schedule for next week due to the Thanksgiving holiday.
Monday and Tuesday pick-ups will occur on Monday, Wednesday pick-ups on
Tuesday, and Thursday and Friday pick-ups are scheduled for Wednesday.

- B. MAYOR AND BOARD MEMBERS.** Alderman McIntire wished Vice-Mayor
Parham and Alderman Segelhorst a happy birthday. He also invited everyone
to attend the 100 year celebration of First Broad Street United Methodist,
noting play performances tomorrow night at 4:00 p.m. and 7:00 p.m.

Alderman Shupe recognized Mr. Jimmy Kesey with the Funeral Board for the
State of Tennessee and thanked him for his attendance during the meeting.

Alderman Joh commented on a historical play at Washington School where
her grand-daughter played Betsy Ross. She praised the teachers for going
above and beyond the state requirements, noting Kingsport was very
fortunate.

Alderman Segelhorst wished everyone a happy and safe Thanksgiving. He
also wished Vice-Mayor Parham a happy birthday.

Alderman Mallicote commented on the synthetic drug ordinance, pointing out
it was the right thing to do. He also stated he was convinced it was
constitutional and commended the mayor for initiating this action. Mr.
Mallicote also offered support to the police department for enforcing this
ordinance.

Vice-Mayor Parham stated he was proud of the city, the mayor, the BMA and
the staff for leading the community and the state in the effort against the

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synthetic drugs. He also noted his graduation from the ENCORE leadership course and expressed his appreciation for the volunteers and caliber of people in the community.

Mayor Phillips stated the Dobyns-Bennett band would be attending the Macy's Day parade next week and they would be practicing on East Center Street on Thursday. The Mayor also stated the City should be proud of what the Board has done regarding the synthetic drugs. He commented that we can't do everything, but when we quit trying is when we're in trouble. He further stated that if the City gets sued over protecting kids, then so be it.

C. VISITORS. None.

IX. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Phillips adjourned the meeting at 8:15 p.m.


ANGELA MARSHALL
Deputy City Recorder


DENNIS R. PHILLIPS
Mayor